

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6390

BILL NUMBER: HB 1967

DATE PREPARED: Feb 16, 2001

BILL AMENDED: Feb 14, 2001

SUBJECT: Fire Department Hazardous Material Costs.

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill requires a responsible party, when charged for the expenses, to reimburse a fire department that employs both full-time paid members and volunteer members or only full-time paid members for all expenses incurred by the fire department in taking emergency action with respect to containment, control, and cleanup of hazardous materials. The bill also provides that a court action to collect a reimbursement may be brought either in: (1) the county in which the hazardous materials emergency arose; or (2) the county in which the fire department is located. It provides that if a fire department imposes a charge on a person for these expenses, the charge must be based on the State Fire Marshal's schedule of service charges. It also establishes the permissible uses of money collected. The bill provides a penalty for failure of the responsible party to pay the charges when due.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: See "Explanation of Local Revenues."

Explanation of Local Revenues: (Revised) This bill gives the option for a fire department that employs both full-time paid members and volunteer members or a department that employs only full-time paid members, to bill and collect the actual expenses incurred by the department for certain emergency actions involving hazardous materials, including a storage facility or means of transportation. As amended, the amount that may be billed is based upon the fee schedule established by the State Fire Marshal (650 IAC 15). The Fire Marshal's schedule is as follows:

- Initial response with fire engine, trucks, or fire apparatus: \$250.

- Each hour or fraction of an hour of on-scene assistance: \$150.
- Expendable materials such as absorption materials, or other agents used in cleanup operations: the actual replacement cost of those materials.
- Collection of debris, chemicals, fuel, or contaminated materials resulting from a spill: the actual cost of removal and disposal at an authorized location.

The bill provides that a fire department that imposes a service charge and maintains an action for reimbursement may recover all costs of the action, including attorney fees. If the bill is not paid by the responsible party within 60 days after the issuance of the bill, there is a 10% penalty for the amount of the unpaid bill. The money collected is to be deposited in the general fund of the unit that established the fire department.

All money collected by hazardous material fees must be deposited in the unit's general fund. Funds collected may be used to purchase supplies and equipment for hazardous material clean-up, training of fire department members in hazardous material clean-up, and payment to contracted firms for hazardous material clean-up assistance. This proposal specifies how the money collected may be used. The fiscal impact of this provision is indeterminable and dependent on the number of qualified fire departments imposing service charges for hazardous material clean-up.

State Agencies Affected:

Local Agencies Affected: Full-time paid fire departments (with or without volunteer members).

Information Sources: